Stockspot

Australia’s leading digital investment service

stockspot

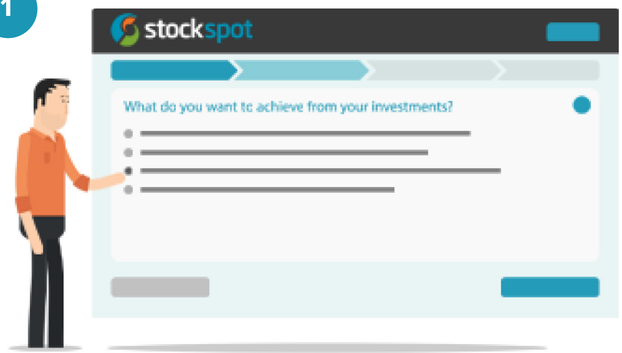
What is Stockspot?

Stockspot is Australia's leading digital investment adviser and fund manager. Our mission is to make professional wealth management accessible to more Australians.

Stockspot builds and professionally manages portfolios tailored to an individual's personal goals, cash-flow needs and risk profile.

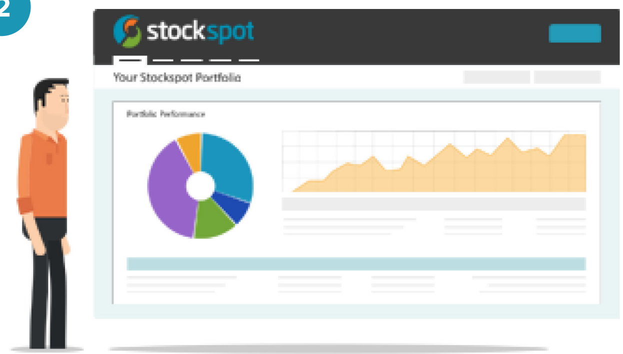
How it works

1



Build an investment profile by answering a series of questions about your financial situation and goals.

2



Our online engine recommends an investment strategy based on your personal profile.

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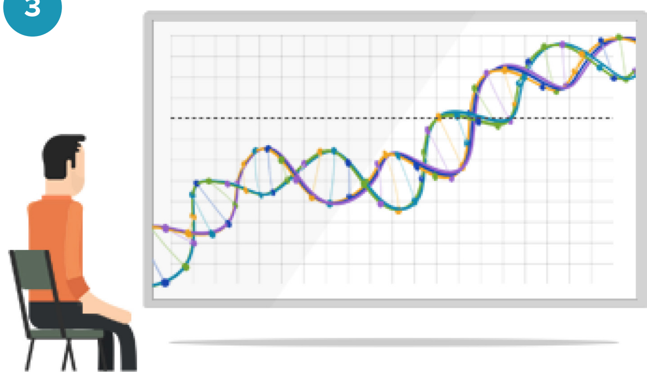


We build and manage a diversified portfolio of ETFs consisting of over 1,400 global shares and bonds.

4

You can track your portfolio online as well as access statements and reports. We provide ongoing monitoring and rebalancing of your portfolio.

Stockspot has automated many of the manual processes that would have been done by a human investment adviser in the past.

- ✓ Entirely digital onboarding and Know-Your-Client (KYC) compliance
- ✓ Personalised investment advice including Statement of Advice (SOA)
- ✓ Portfolio management and rebalancing software
- ✓ Digital education and behavioural coaching
- ✓ Bank level security and encryption

How does Stockspot invest?

Stockspot believes the most important investment decision is choosing how much to invest in each asset class. Combining assets in the right way is vital for all investors rather than trying to pick individual shares or time market entry and exit points. Academic studies show that asset allocation explains about 90% of a portfolio's variation over time.

Stockspot invests in low-cost Exchange Traded Funds (ETFs) for broad access to diverse investments from around the world. We choose ETFs over traditional active funds because ETFs are low cost and have lower turnover; leading to improved tax efficiency, transparency and higher after-fee returns.

Each ETF is evaluated on its potential for capital growth and income generation, volatility, correlation with other assets, inflation protection and tax efficiency.

We diversify across investments to smooth out short term market volatility and improve the quality of returns. Investment choices are constantly reviewed to ensure clients access the best possible return and diversification opportunities.

Current investments

Investment asset	Fund choice	Description
Australian shares	Vanguard Australian Shares Index ETF (VAS)	The top 300 listed companies on the ASX including Telstra and BHP. Shares give investors exposure to economic growth and the opportunity for dividends and capital gains.
Global shares	iShares Global 100 ETF (IOO)	Some of the world's largest companies like GE, Toyota, IBM & Apple.
Emerging markets	iShares MSCI Emerging Markets ETF (IEM)	Companies from fast growing economies like China, India and Brazil.
Bonds	iShares Core Composite Bond ETF (IAF)	Government and corporate bonds provide reliable fixed interest returns. Bonds provide a cushion for shares during economic turbulence due to their lower volatility and correlation with shares.
Gold	ETF Securities Physical Gold (GOLD)	To protect portfolios against inflation and volatility.

Portfolios

The five Stockspot investment strategies are based on Nobel Prize winning research and aim to maximise the quality of returns. Lower volatility helps the strategies weather all market conditions and keeps clients on the right track.

Investment strategy	Suggested investment horizon	Target asset mix*
Topaz (Aggressive growth)	7 years +	75.0% growth / 25.0% defensive
Emerald (Growth)	6 years +	62.8% growth / 37.2% defensive
Turquoise (Balanced)	5 years +	52.6% growth / 47.4% defensive
Sapphire (Moderately conservative)	4 years +	46.5% growth / 53.5% defensive
Amethyst (Conservative)	3 years +	40.0% growth / 60.0% defensive

Rebalancing

Investments grow at different rates and a client's actual investment allocation will drift from their target allocation over time. When this happens, Stockspot rebalances client's portfolios so their investments remain close to their target allocation. This is done on an individual basis as all investments are held directly by clients on their own Holder Identification Number (HIN).

We also review the Stockspot portfolio weightings and constituent funds periodically based on our research.

Themes

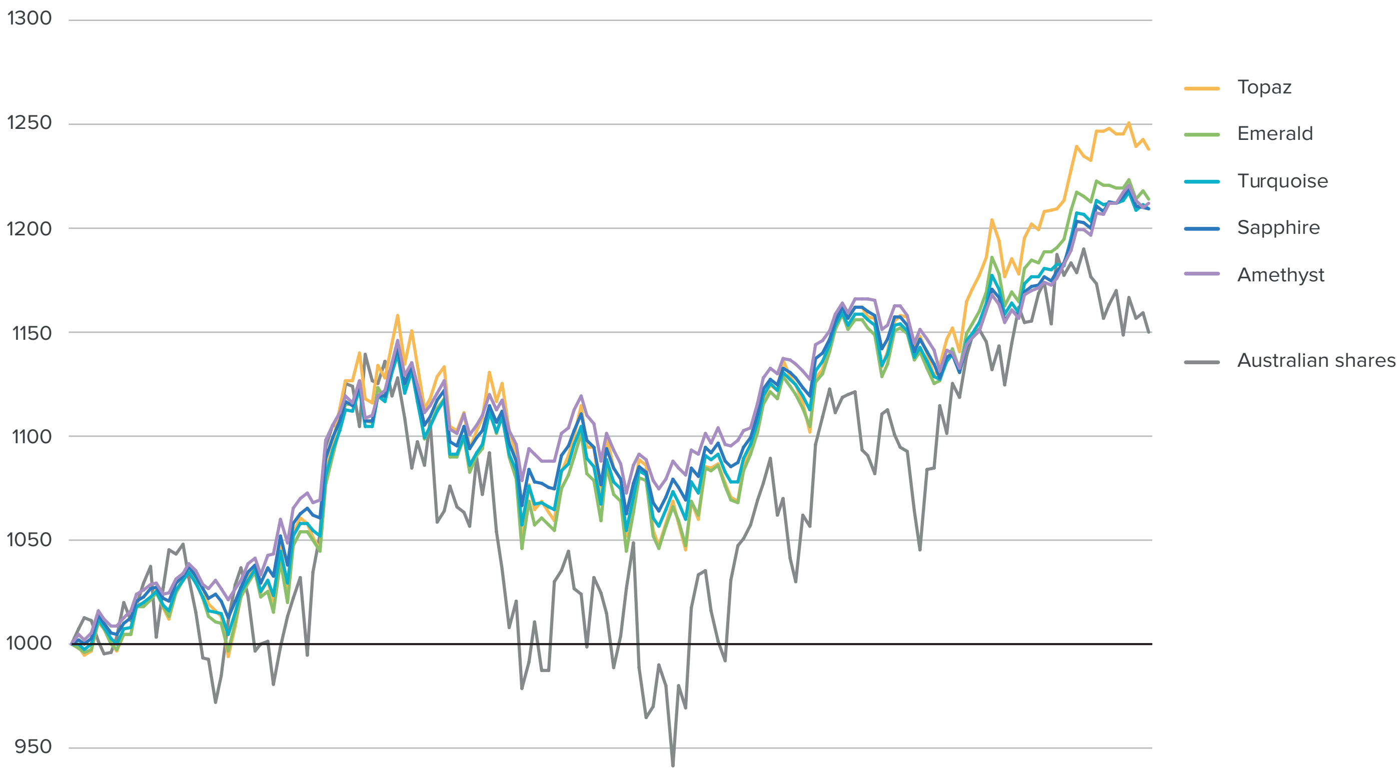
Clients can personalise their portfolios with investment themes like global property, US shares, global bonds, dividend shares or socially responsible shares. We balance themes within each client's portfolio so the overall strategy is continually optimised based on individual goals and risk profile.

* as at June 2017

Track record

Since our launch in 2014, our investment strategies have built a strong performance track record and generated consistent returns for clients by having the right mix of assets.

Our portfolios have had significantly less volatility when compared to a portfolio only containing Australian shares.



	Topaz	Emerald	Turquoise	Sapphire	Amethyst
Financial year 2017	10.26%	8.07%	6.61%	5.87%	5.05%
Total return since inception (p.a.)	6.49%	5.74%	5.54%	5.46%	5.41%
Distributions & dividends (p.a.)	2.38%	2.37%	2.20%	1.98%	1.83%

Total annualised return after ETF and management fees as at 30 June 2017 and are based on the Silver fee tier.

The Stockspot indices have been published since July 2013 and open for investment since May 2014.

Investment in financial products involves risk. Past performance of financial products is no assurance of future performance. Please read the Advice Disclaimer on our website.

Pricing

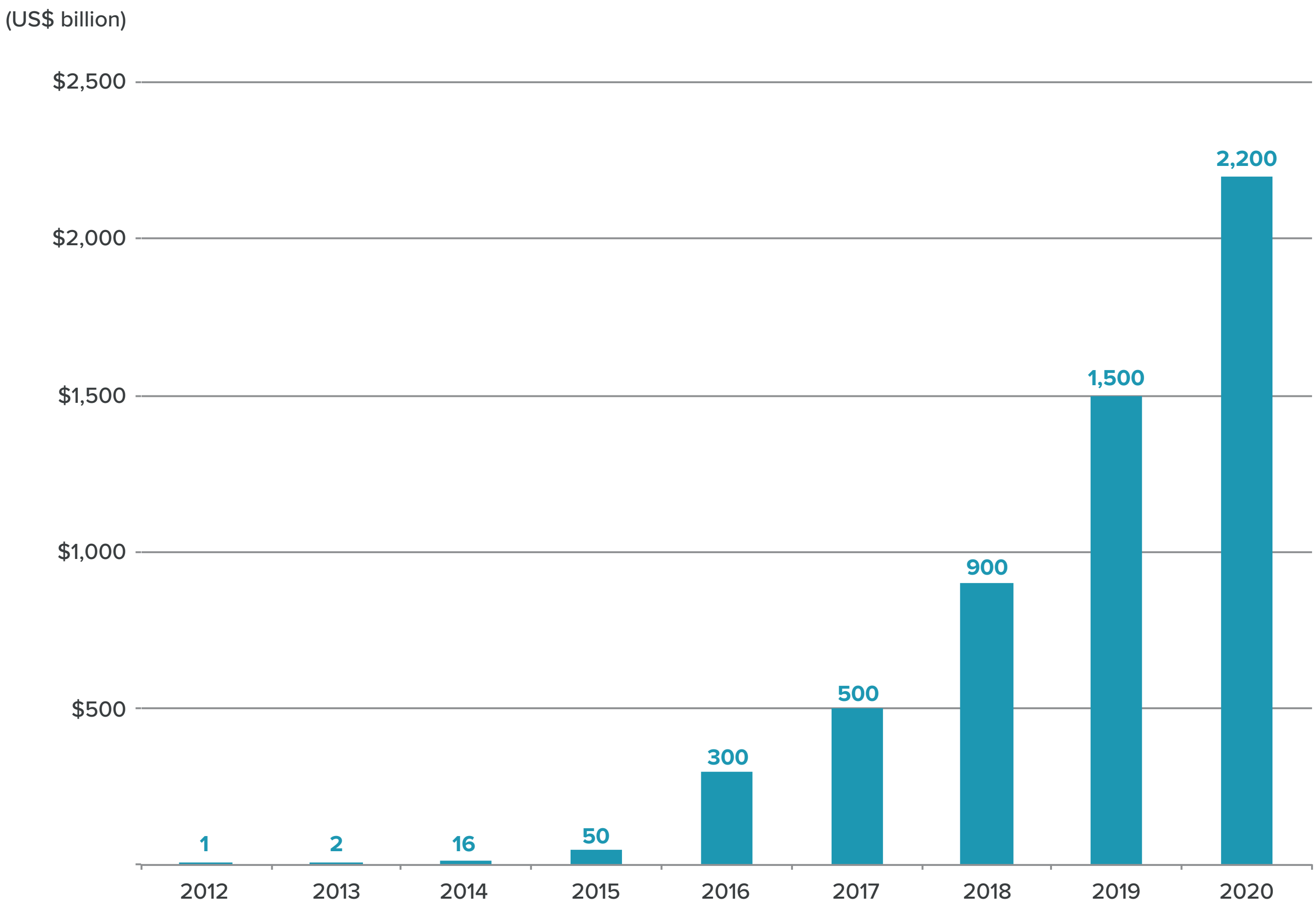
Our low fees are better value and all inclusive. No hidden extras in the small print. You won't be surprised with extra costs that eat into your returns. We make it easy for you to invest and you can top-up regularly without being charged brokerage or transaction costs.

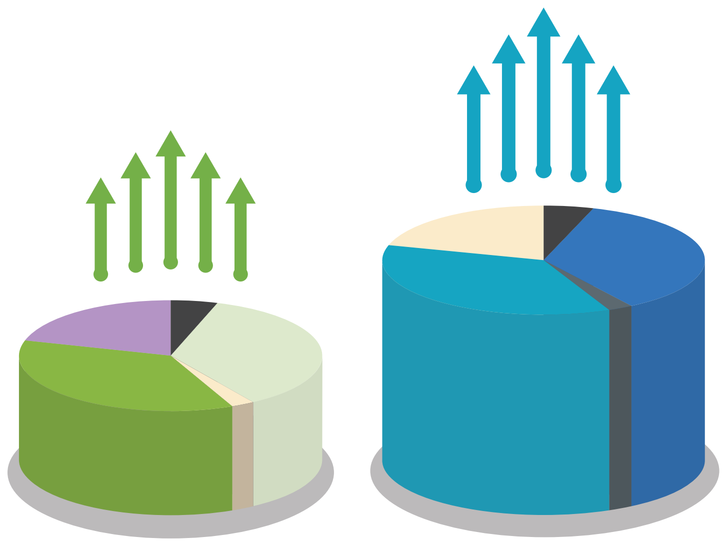
Stockspot's fees are transparent so you always know what you're paying for and why.

Bronze	For clients investing $10,000 or less First 6 months free, then a simple monthly fee: No advice fee **$0** per annum	+	Management fee **$6.60** per month
Silver	For balances between $10,001 to $49,999 No advice fee **$0** per annum	+	Management fee **0.066%** of your balance per month (0.792% per year incl GST)
Gold	For balances between $50,000 to $499,999 Advice fee **$55** per annum With access to Stockspot Themes	+	Management fee **0.055%** of your balance per month (0.660% per year incl GST)
Platinum	For balances above $500,000 Advice fee **$55** per annum With access to Stockspot Themes	+	Management fee **0.044%** of your balance per month (0.528% per year incl GST)

The future of investing

Globally robo-advice is the fastest growing area of wealth management. It is estimated US$2.2 trillion will be managed by robo-advisers by 2020 and the industry is forecast to grow by 40 times over the next five years.





Grow your savings the smart way

Stockspot is Australia's first digital investment adviser. We were founded in 2013 with a mission to help more Australians access expert investment advice and portfolio management.

We want to do away with the high fees, confusing jargon, endless paperwork and lack of transparency that gives the wealth management industry a bad reputation.

Today, we're the largest and fastest growing digital investment advice (robo-advice) service in Australia. We're helping thousands of Australians manage their money smarter with our low-fee transparent investment service.

Find out more: www.stockspot.com.au

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